

Message Text

LIMITED OFFICIAL USE

PAGE 01 LISBON 01891 142144Z

ACTION EB-08

INFO OCT-01 EUR-12 ISO-00 AGRE-00 CEA-01 CIAE-00
DODE-00 FRB-03 H-01 INR-10 INT-05 L-03 LAB-04
NSAE-00 NSC-05 PA-01 CTME-00 AID-05 SS-15 STR-07
ITC-01 TRSE-00 USIA-06 SP-02 SOE-02 OMB-01 DOE-11
/104 W

-----108254 150646Z /10

R 141605Z MAR 78

FM AMEMBASSY LISBON

TO SECSTATE WASHDC 5046

USDOC WASHDC

LIMITED OFFICIAL USE LISBON 1891

E.O. 11652: N/A

TAGS: ETRD, PO

SUBJECT: GSP - REVERSE PREFERENCES TO EC

REF: A) 77 STATE 226031 B) LISBON 6129

1. GENERAL ELECTRIC PORTUGUESA HAS AGAIN (REF B) REAISED WHAT IT CONSIDERS TO BE A SERIOUS COMPETITIVE DISADVANTAGE FOR CERTAIN U.S.EQUIPMENT IT MARKETS IN PORTUGAL. GE MAINTAINS THAT DUTIES APPLICABLE TO U.S. PRODUCTS ARE SIGNIFICANTLY HIGHER THAN THOSE ACCORDED TO SIMILAR EC EXPORTS, CAUSING GE PRICES TO BE 6-9 PERCENT HIGHER THAN THOSE OF ITS COMPETITORS. SHOULD THE DUTIES ON THE U.S. ITEMS BE REDUCED TO THE LEVEL CHARGED ON EC PRODUCTS, GE BELIEVES IT WOULD BEOMCE COMPETITIVE. IT ENVISAGES A POTENTIAL MARKET OF SOME \$4 MILLION IN THESE GOODS, AS AGAINST 1977 GE SALES OF APPROXIMATELY \$750,000.

2. FOLLOWING ARE THE ITEMS SINGLED OUT BY GE, TOGETHER WITH TARIFF INFORMATION:

MEDICAL EQUIPMENT DUTIES

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 LISBON 01891 142144Z

TARIFF CATEGORY	ITEM	GATT(US)	EFTA	EC
1. 83.07.04	SURGICAL LAMPS	(ESC./KILO)	24.00 0	4,80
2. 90.18.03	PACEMAKERS	(PERCENTAGE)	13.00 0	0
3. 90.20	X-RAY EQUIP.	""	13.00 0	0
4. 94.02	OPERATING	(ESC./KILO)	16.00 3.20	3.20

TABLES

OTHER

5. 85.15.05	AERIALS FOR	""	64.00	6.40	6.40
	COMMUNICATIONS		36.00	3.60	3.60
6. 85.20.01	SPECIAL LAMPS	(PERCENTAGE)	30.00	9.00	9.00
7. 85.20.02	SPECIAL LAMPS	""	30.00	9.00	9.00

3. GE PROVIDED EMBASSY FOLLOWING ADDITIONAL COMMENTS ON THE ABOVE EQUIPMENT. FOR ITEMS 1 THROUGH 5, GE HAS BEEN ONLY MODERATELY SUCCESSFUL IN PORTUGAL. GE'S PRICES ON THESE ITEMS ARE GENERALLY 6-9 PERCENT HIGHER THAN THOSE OF ITS COMPETITORS AS RESULT OF THE SIGNIFICANTLY HIGHER DUTIES IT PAYS. FOR THE REMAINING ITEMS, GE HAS TO DATE BEEN EFFECTIVELY SHUT OUT OF THE MARKET, BUT BELIEVES THERE IS CONSIDERABLE POTENTIAL - POSSIBLY UP TO \$1 MILLION PER YEAR. GE PRICES ARE SOME 8-10 PERCENT ABOVE THOSE OF COMPETITORS ON THESE ITEMS, ONCE AGAIN DUE LARGELY TO DUTY DIFFERENTIAL. GE NOTES THE MARKET FOR SPECIAL LAMPS IS HIGHLY IMPORT-ORIENTED, SINCE ALL STREET AND AREA LIGHT-ING LAMPS, EXCEPT MERCURY, ARE IMPORTED.

4. GE IN THE PAST URGED REDUCTION IN DIFFERENTIALS OF A CONSIDERABLY LONGER LIST OF ITEMS (REF B). THE CURRENT ABBREVIATED LIST COVERS MATERIALS AND EQUIPMENT OF PARTICULAR INTEREST, FOR WHICH GE BELIEVES IT COULD OBTAIN RAPID MARKET RESULTS. EMBASSY IS AWARE THAT THE ITEMS IN QUESTION MAY NOT FULFILL CRITERIA SPELLED OUT IN PARA 1 REF A. WE WOULD, NEVERTHELESS, APPRECIATE WASHINGTON LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 LISBON 01891 142144Z

AGENCIES CONSIDERING THIS MATTER AND PROVIDING US GUIDANCE. BLOOMFIELD

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: FOREIGN MARKETS, ELECTRONIC EQUIPMENT, GENERALIZED PREFERENCES (TARIFFS), PRICES
Control Number: n/a
Copy: SINGLE
Draft Date: 14 mar 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 20 Mar 2014
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978LISBON01891
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D780114-0911
Format: TEL
From: LISBON
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1978/newtext/t19780372/aaaaciapl.tel
Line Count: 96
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 07ebf5c7-c288-dd11-92da-001cc4696bcc
Office: ACTION EB
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: 77 STATE 226031, 78 LISBON 6129
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 05 may 2005
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: N/A
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 3342456
Secure: OPEN
Status: NATIVE
Subject: GSP - REVERSE PREFERENCES TO EC
TAGS: ETRD, PO, GENERAL ELECTRIC, GATT
To: STATE COM
Type: TE
vdkgvwkey: odb://SAS/SAS.dbo.SAS_Docs/07ebf5c7-c288-dd11-92da-001cc4696bcc
Review Markings:
Sheryl P. Walter
Declassified/Released
US Department of State
EO Systematic Review
20 Mar 2014
Markings: Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014